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**SUBSTITUTE SENATE BILL 6785**

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**State of Washington 57th Legislature**

**2002 Regular Session**

**By** Senate Committee on Ways & Means (originally sponsored by Senators Snyder, Brown, Poulsen, Rasmussen and Roach)

READ FIRST TIME 03/04/2002.

1 AN ACT Relating to eliminating Washington estate tax on estates  
2 below the federal estate tax liability filing threshold; amending RCW  
3 83.100.020; creating a new section; and declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 83.100.020 and 2001 c 320 s 15 are each amended to  
6 read as follows:

7 As used in this chapter:

8 (1) "Decedent" means a deceased individual;

9 (2) "Department" means the department of revenue, the director of  
10 that department, or any employee of the department exercising authority  
11 lawfully delegated to him by the director;

12 (3) "Federal credit" means: (a) For a transfer, the maximum amount  
13 of the credit for state taxes allowed by section 2011 of the Internal  
14 Revenue Code, as amended or renumbered as of January 1, 2001:  
15 PROVIDED, That the federal credit shall not exceed the amount of the  
16 tax imposed by section 2001 of the Internal Revenue Code, as amended or  
17 renumbered as of January 1, 2002, reduced by the amount of the unified  
18 credit provided by section 2010 of the Internal Revenue Code, as  
19 amended or renumbered as of January 1, 2002, and if no such tax is so

1 imposed, the federal credit shall be zero; and (b) for a generation-  
2 skipping transfer, the maximum amount of the credit for state taxes  
3 allowed by section 2604 of the Internal Revenue Code;

4 (4) "Federal return" means any tax return required by chapter 11 or  
5 13 of the Internal Revenue Code;

6 (5) "Federal tax" means (a) for a transfer, a tax under chapter 11  
7 of the Internal Revenue Code; and (b) for a generation-skipping  
8 transfer, the tax under chapter 13 of the Internal Revenue Code;

9 (6) "Generation-skipping transfer" means a "generation-skipping  
10 transfer" as defined and used in section 2611 of the Internal Revenue  
11 Code;

12 (7) "Gross estate" means "gross estate" as defined and used in  
13 section 2031 of the Internal Revenue Code;

14 (8) "Nonresident" means a decedent who was domiciled outside  
15 Washington at his death;

16 (9) "Person" means any individual, estate, trust, receiver,  
17 cooperative association, club, corporation, company, firm, partnership,  
18 joint venture, syndicate, or other entity and, to the extent permitted  
19 by law, any federal, state, or other governmental unit or subdivision  
20 or agency, department, or instrumentality thereof;

21 (10) "Person required to file the federal return" means any person  
22 required to file a return required by chapter 11 or 13 of the Internal  
23 Revenue Code, such as the personal representative of an estate; or a  
24 transferor, trustee, or beneficiary of a generation-skipping transfer;  
25 or a qualified heir with respect to qualified real property, as defined  
26 and used in section 2032A(c) of the Internal Revenue Code;

27 (11) "Property" means (a) for a transfer, property included in the  
28 gross estate; and (b) for a generation-skipping transfer, all real and  
29 personal property subject to the federal tax;

30 (12) "Resident" means a decedent who was domiciled in Washington at  
31 time of death;

32 (13) "Transfer" means "transfer" as used in section 2001 of the  
33 Internal Revenue Code, or a disposition or cessation of qualified use  
34 as defined and used in section 2032A(c) of the Internal Revenue Code;

35 (14) "Trust" means "trust" under Washington law and any arrangement  
36 described in section 2652 of the Internal Revenue Code; and

37 (15) "Internal Revenue Code" means, for the purposes of this  
38 chapter and RCW 83.110.010, the United States Internal Revenue Code of

1 1986, as amended or renumbered as of January 1, (~~2001~~) 2002, except  
2 as otherwise provided in this chapter.

3 NEW SECTION. **Sec. 2.** This act applies to decedents dying on or  
4 after January 1, 2002.

5 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
6 preservation of the public peace, health, or safety, or support of the  
7 state government and its existing public institutions, and takes effect  
8 immediately and applies retroactively to January 1, 2002.

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